

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
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BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
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DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
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FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

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1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
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JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
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MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
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MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
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ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
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TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
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VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
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WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.

5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
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7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.

5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
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 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
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11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
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yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
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there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.

5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.

5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.

MINUTES
MOUNT VERNON CITY COUNCIL
JUNE 1, 2015

The Mount Vernon City Council met June 1, 2015 at the Mount Vernon City Hall Council Chambers with the following members present: Roudabush, Niemi and Hampton. Absent: Taylor and Thompson.

1. Call to Order. At 6:28 p.m. Mayor James Moore called the meeting to order.
2. Approval of Agenda. Motion to approve the agenda made by Hampton, seconded by Niemi. Carried all. Absent: Taylor and Thompson.
3. Consent Agenda. Motion to approve the Consent Agenda made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
 - a. Approval of minutes of May 18, 2015.
 - b. Claims for approval.

BALICEK, RITA	CLEANING SERVICE-P&A	52.50
BANKERS TRUST	DEBT SERVICE PAYMENTS	997,385.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	1,386.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	911.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS/SUMMER HIRES-RUT	170.00
BEIMER, MICHAEL R	MILEAGE-P&A	138.00
BENHART, SHERRIE	CLEANING SERVICE-P&A	52.50
BOBCAT OF CEDAR RAPIDS	EQUIP MAINT-PW	100.32
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	25,150.00
BRIDGE COMMUNITY BANK	2010B GO REFUNDING NOTE	459.00
BROWN PLUMBING COMPANY	RESTROOM MAINT-P&A	90.00
BUD'S AUTO & TRUCK REPAIR	CHECK TRUCK HEATER-RUT	52.50
CAMPBELL SUPPLY CEDAR RAPIDS	SAFETY EQUIP-PW	191.80
CENTRAL IOWA DISTRIBUTING	EQUIPMENT,SUPPLIES-ALL DEPTS	424.80
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	476.00
COLOR WEB PRINTERS	CTW POSTER MOUNT-P&REC	43.42
DAN'S OVERHEAD DOORS 1	OLD FIRE STATION DOOR REPAIR	301.84
DAN'S TIRES & MORE	2 TIRES-PD	358.36
DAUSENER, TANDI	REFUND/5-6 GRADE SOFTBALL-P&REC	15.00
DIESEL TURBO SERVICES	VEHICLE REPAIRS-PW	160.75
DIESEL TURBO SERVICES	VEHICLE REPAIRS-RUT	34.25
ELAN	CAMERAS-PD	994.42
ELECTRONIC ENGINEERING CORP	INFORMATION SYSTEM-PW	399.60
ELECTRONIC ENGINEERING CORP	PAGER SERVICE-EMA	11.95
FELD FIRE	VALUE KITS-FD	147.46
GALLS INC	UNIFORMS-PD	373.50
GALLS INC	UNIFORMS-PD	164.62
GALLS INC	UNIFORMS-PD	287.98
GATOR GUY, THE	GATOR ENGINE	1,500.00
GOODYEAR COMMERCIAL TIRE	#210 TIRE-FD	445.26
GOODYEAR COMMERCIAL TIRE	SERVICE CALL-FD	85.30

GORDON LUMBER COMPANY	BLDG SUPPLIES-PW	155.20
GROUP SERVICES INC	INSURANCE-ALL DEPTS	29,282.87
HAUGE CPA, BRADLEY	PROFESSIONAL SERVICES-P&A	650.00
HOLCOMB, ADAM	TOBACCO COMPLIANCE CHECK-PD	25.00
IOWA COMMUNITIES ASSURANCE POOL	LIABILITY POLICY-FD	3,846.95
IOWA COUNTY ATTORNEYS ASSOCIATION	TRAINING-PD	60.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS/ARTICLES-PD	300.00
IOWA DNR	OPERATOR CERTIFICATION EXAM APP	90.00
IOWA ONE CALL	LOCATES-WAT/SEW	39.60
IOWA PRISON INDUSTRIES	SIGN/INK ROAD-RUT	33.00
IOWA SOLUTIONS INC	DOMAIN MGMT-P&A	50.00
JENNISON, JOE	CTW POSTERS-P&REC	77.49
KROMMINGA MOTORS INC	SEAT COVER-FD	67.47
LINN CO-OP OIL CO	FUEL-PW	1,680.95
LINN COUNTY PUBLIC HEALTH	FOOD SERVICE LICENSE-POOL	131.63
MANTERNACH, TJ	REFUND/5-6 GRADE SOFTBALL	48.00
MOORE, JAMES	MILEAGE, LODGING-P&A	681.63
MOUNT VERNON BANK & TRUST CO	20% OF CEMETERY SALES	1,030.00
MOUNT VERNON BANK & TRUST CO	NSF CHECK-WAT	67.80
MOUNT VERNON BANK & TRUST CO	RETURNED CHECK-WAT	48.61
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-P&REC	270.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-ALL DEPTS	723.04
MOUNT VERNON LISBON SUN	CABLE TV/ONLINE	260.00
MOUNT VERNON, CITY OF	LOST III TRANSFER	41,748.98
MOUNT VERNON, CITY OF	PILOT TRANSFER-WAT	25,500.00
MOUNT VERNON, CITY OF	PILOT TRANSFER-SEW	25,500.00
MOUNT VERNON, CITY OF	EMPLOYEE BENEFIT TRANSFER	318,975.77
MOUNT VERNON, CITY OF	LAW/EMRG LEVY TRANSFER	34,148.90
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,165.60
NEAL'S WATER CONDITIONING SRV	WATER-ALL DEPTS	48.00
OFFICE OF VEHICLE SERVICES	VEHICLE INSPECTIONS-PD	20.00
OSKEY, LESLIE	DEPOSIT REFUND-WAT	48.16
PAYROLL	CLAIMS	59,258.71
PAYROLL	CLAIMS	4,899.38
POOL TECH INC	CHEMICALS-POOL	3,064.35
POOL TECH INC	EQUIP REPAIR-POOL	520.75
POOL TECH INC	CHLORINATOR PARTS-POOL	295.90
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	373.92
ROTO-ROOTER	SANI SEW & STREETS PROJECTS	2,546.60
ROTO-ROOTER	CLEAN POOL FILTERS	1,250.00
ROTO-ROOTER	7TH AVE TO 7TH STREET-SEW	220.00
ROTO-ROOTER	HYFRO EXCAVATE SHUT OFF-WAT	775.00
SAM'S CLUB	CONC STAND-POOL	574.17
SAM'S CLUB	MEMBERSHIP-POOL	45.00
SCHIMBERG COMPANY	CURB STOP REPAIR-WAT	142.98
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	1,053.27
SCHIMBERG COMPANY	REPLACE POOL PUMP-BOND	203.06
SHERWIN WILLIAMS CO.	PAINT SPRAYER-RUT	966.35
SHERWIN WILLIAMS CO.	PAINT/PARKING LOTS-RUT	165.75
SHERWIN WILLIAMS CO.	PAINT SPRAYER REPAIR-RUT	73.55
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	3,540.00

SLEUTH SYSTEMS	SOFTWARE SUPPORT-PD	2,302.24
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	77.56
TASC	ADMIN FEE-ALL DEPTS	427.48
THOMPSON, ALLIE	DEPOSIT REFUND-WAT	58.66
TREASURER STATE OF IOWA	SALES TAX	4,146.00
US BANK	TRAINING,SUPPLIES,SOFTWARE	2,076.02
US CELLULAR	CELL PHONE-AL DEPTS	571.00
VEENSTRA & KIMM INC	2015 STREET IMPROVEMENTS	14,598.00
VEENSTRA & KIMM INC	PRAIRIE PARK WTP FILTER REPLACEMENT	2,315.80
VEENSTRA & KIMM INC	SHEPLEY SEWER PROJECT	1,793.05
VEENSTRA & KIMM INC	2015 INTAKE REPLACEMENT	1,676.33
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	1,234.78
VEENSTRA & KIMM INC	BRYANT PARK WELL PRELIMINARY	1,152.00
VEENSTRA & KIMM INC	LISBON ROAD HMA OVERLAY GEN SRV	556.65
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	472.75
VEENSTRA & KIMM INC	2015 SANITARY SEWER GENERAL SRV	449.85
VEENSTRA & KIMM INC	SHEPLEY SEWER PRINTING	209.30
VEENSTRA & KIMM INC	POOL FILTER EVALUATION	166.50
VEENSTRA & KIMM INC	CHIROPRACTOR PARKING LOT SITE	154.75
VEENSTRA & KIMM INC	LISBON ROAD OVERLAY PRINTING	113.13
WALKER AG EQUIPMENT	MOWER BLADE-RUT	145.68
WALKER AG EQUIPMENT	EQUIP MAINT-RUT	80.70
WAPSI WASTE SERVICE	GB,RECY,LEAF-SW	22,395.07
WENDLING QUARRIES	SAND/BACKFILL-RUT	74.74
WESCOTT, AMBER	DEPOSIT REFUND-WAT	66.89
WIEBEL, PATRICIA	REFUND/BOYS COACH PITCH-P&REC	15.00
	TOTAL	1,656,436.45

- c. Approval of one day outdoor service license for Scorz Bar & Grill on July 24, 2015 during RAGBRAI.
- d. Approval of cigarette permit renewal for C&D Lounge, Gary's and Chameleon's.

4. Open forum: each citizen limited to 5 minutes per discussion item.
5. City Administrator Report. Beimer stated that he has been working with a developer trying to jump start development and coming up with a concept plan. Work has started on the upcoming audit for FY15. Dr. Fursman is present and will be making a presentation in search of a city administrator. On the June 15 agenda there will be another discussion regarding the LOST III funds and possible re-allocation. In the future there may be a town hall meeting and public hearing scheduled. Iowa law does not require a public hearing but in order to make sure that due process is followed and all residents are allowed to voice their viewpoints Council has decided a public hearing would be appropriate followed by a resolution specifying how funds will be re-allocated if in case they are. The resolution will then be taken to the Linn County Board of Electors before August 27th in order to be placed on the ballot this fall. Beimer continued saying that he has been working on the financing for the water treatment plant. ICAP (Insurance

Communities Assurance Pool) risk management team will be visiting Mount Vernon on Wednesday visiting various sites making their yearly assessments.

6. Second reading of Ordinance #5-18-2015A: An Ordinance amending the Code of Ordinances of the City of Mount Vernon, Iowa and entitled "RAGBRAI-MISCELLANEOUS PERMITS". Motion to approve the second reading of Ordinance #5-15-2015A made by Hampton, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
7. Presentation and proposal from Dr. Richard Fursman on process of hiring a new City Administrator through a search designed by the Brimeyer Fursman Group. Discussion and possible action on approval of process and estimated cost of contract to perform services not to exceed \$14,250.00. Dr. Fursman briefly went over the process and what is involved in his search for a new City Administrator. His first step has been to meet with community members, council members and staff collecting data on what the community is all about, what the future needs are and upcoming projects so the person who starts will know what his/her expectations are. All the information will be compiled into a position profile which will highlight the community and activities. It will also describe in characteristics terms the type of person we are looking for. Council will have the opportunity to review it and ask for any revisions. Salary numbers are being compiled. The current salary is what Dr. Fursman called "middle of the road" and will be good for recruiting. He said he would provide more information about this. The next step will be recruitment which will start depending on when Council wants that individual to start; Dr. Fursman said he does not like this to be a long, drawn out procedure as it drains the candidates and they soon drop out of the process. As an example Dr. Fursman said that if Council wanted someone to start the first part of November/December than recruiting should start sometime in July. Any applications, resumes, and cover letters are screened according to the information that has been gathered. The top 15-20 candidates are than personally interviewed by himself either in person or on Skype. That group is tapered down to the top 10-12. A report will be written on each candidate illustrating their strengths, their management style and what their history is. A meeting will be scheduled between himself and City staff to go over the candidates. The 10-12 will be pared down to five to interview in person. At that time, if the City desires, he will do a complete background check with references. Once the five are selected they will be contacted. They will come to Mount Vernon for the interview process. One of the decisions Council will have to make is who will be on the interview panel. Dr. Fursman said he thinks it's a good idea to include a community panel of 5-8 members and a staff panel. Neither one of these panels will hire, that is up to the Council, but they will bring about different types of questions. It is a two day interview process; Friday afternoon and Saturday morning. Each Council member will meet with the candidates one on one. In the evening a reception is recommended and the community is invited. Each candidate will give a brief presentation which is a good way to see how they interact with the public. On Saturday morning there will be candidate interviews concluding around noon when the deliberations will start. Niemi asked how many placements have they done and what percentage fail. Dr. Fursman replied that he has had 104 and two that have failed. Mayor Moore commented that housing is very tight in Mount Vernon and there isn't anything that says he has to live here right now although it would be beneficial if he did. Beimer said the search is within the states of Iowa, Illinois, Wisconsin and Minnesota. Hampton wondered if the City would be responsible for plane tickets. Expectations are that the City would pay for candidates reimbursable travel and lodging and should not exceed \$2,000.00 cumulative for all candidates. The profile presentation will be on the June 15th agenda. Roudabush said his hope is that the candidate will be hired by November 1st. Hampton made a motion to approve the

process and estimated cost of contract to perform services not to exceed \$14,250.00, seconded by Niemi. Carried all. Absent: Taylor and Thompson.

8. Recommendation of salary increases for exempt employee department heads beginning July 1, 2015 (FY2016). Discussion and possible action. Mayor Moore noted that the union employees received a 2.5% wage increase and suggested the same be given to the salaried employees. Hampton said that he doesn't like flat rate increases for everyone. He said that he's sure everyone is doing a fantastic job and everyone should be acknowledged for that but he still doesn't like giving out the flat rate to all. Niemi asked if there was any wage information available that would compare Mount Vernon with other towns. Hampton said there are salary surveys that provide information. Hampton continued saying that he wants the process to be fair to everyone but right now we don't have the right tools in place and this would be a good conversation to have with the new city administrator. Niemi agreed. Mayor Moore noticed that Nick Nissen was not on the list and suggested he be added. Niemi made a motion to approve the salaried employee's increase of 2.5% effective July 1, 2015 and to include Nick Nissen as well, seconded by Hampton. Carried all. Absent: Taylor and Thompson.
9. Discussion and possible action on Resolution #6-1-2015A: A Resolution approving transfers. Beimer explained that this is something that is done every year before the fiscal year ends. These four transfers are put into the general fund to help defray expenses. They are not voted levies. Motion to approve Resolution #6-1-2015A made by Roudabush, seconded by Niemi. Roll call vote. Motion carried 3-0. Absent: Taylor and Thompson.
10. Not to Exceed \$375,000 General Obligation Capital Loan Notes.
 - a. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
 - b. Discussion and possible action on Resolution #6-1-2015B: A Resolution instituting proceedings to take additional action.Beimer explained that the \$375,000.00 is the amount of money the City will be borrowing through negotiating capital loan notes with one of the three local banks. By doing it this way the City will save about \$10,000.00. Along with the \$375,000.00 there is about \$222,000.00 in the Water Depreciation account to cover the approximately \$600,000.00 in necessary repairs needed at the water treatment plant. If more is needed some expenses can be paid from LOST II or the Water Utility fund. Motion to open the public hearing made by Niemi, seconded by Hampton. Carried all. Absent: Taylor and Thompson. As there were no comments from the public, written or orally, Niemi made a motion to close the public hearing, seconded by Hampton. Carried all. Absent: Taylor and Thompson. Hampton made a motion to approve Resolution #6-1-2015B, seconded by Roudabush. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.
11. \$375,000 General Obligation Capital Loan Notes, Series 2015.
 - a. Discussion and possible action on Resolution #6-1-2015C: A Resolution approving Preliminary Term Sheet.Beimer said that attached to the packet is the Preliminary Term Sheet that shows the principal amount to be paid each year for the ten years of the note. The interest is not shown because the rate is not yet known. The water rates may have to be increased 4-5% but that will be an unknown until the bids are received and construction is completed. This percent is above and beyond the 3%

yearly increase (8% total increase). Motion to approve Resolution #6-1-2015C made by Hampton, seconded Niemi. Roll call vote. Carried all 3-0. Absent: Taylor and Thompson.

12. Engineering Update Report. Dave Schechinger with V & K Engineering provided Council with an update on current projects. Public meetings for adjacent property owners were scheduled for May 14 and 16th. The project was discussed, information was gathered and will be reviewed prior to bidding. Lisbon Road Overlay: LL Pelling plans to begin work on June 8th. Notices were sent out on May 28th to remind residents of the schedule. Sewer Rehabilitation/Replacement: Work began on May 21st and is nearing completion. The contractor should finish the 4th Street area by June 5th and begin work on the Shepley line on June 1st. Prairie Park Water Plant: Beimer has been working on financing and will provide an update. Plans and specs are being prepared for replacement of the filter unit at the water treatment plant #1. The anticipated schedule is to set the bid date and public hearing date for the plans, specs, form of contract and estimate of cost at the June 15th council meeting. Palisades Road Geotechnical Services: Terracon was scheduled to complete the soil boring on Friday, May 29th. Roudabush asked about the Wagon Pass project to which Beimer said there are problems that need to be worked out and he will discuss with Dave (Schechinger) and Bob (Hatala).
13. Discussion on the reallocation of LOST I and LOST III funds previously voted on for construction of a new Community Wellness Center. Mayor Moore clarified that the vote was not on a Community Wellness Center but it was on a Community Center. The discussion will be for Council only; no comments will be heard from the public. Niemi stated that about 2.5 years ago the City contracted with Ballard King to do a feasibility study regarding operations for sports/health clubs or aquatic centers. The City Council held a special work session on August 28, 2014 in which all the stakeholders were invited. At the meeting the question was put to the stakeholders "are you in or are you out?" The report from BK stated that if the City did not have equity partners with both Cornell College and the MV School system the project would not be able to work. Dr. Jonathon Brandt, Cornell College president, said that their plan for the next 5-7 years was to concentrate on the building of a new science center. In Niemi's opinion Dr. Gary O'Malley, school superintendent, was non-committal. In the paper the next week the headline read that the school could bond for about \$14 million and it became apparent that the school was perusing building an athletic complex and auditorium. Niemi continued saying that as far as he knew the City does not have anyone to partner with. According to City Administrator Beimer the City can't commit to this project either if we intend to maintain a safe bonding limit capacity. Because of the level of debt the City now carries, if all bonding is stopped, all CIP's are put on hold and the City does not have any emergencies it would be at least 2018 or 2019 before the debt is paid down to the point where bonds could be sold again to pay for the City's share which was last understood to be \$2.5 million. The BK report stated that the City would lose between \$300 and \$477,000.00 every year in operational expenses for the facility. This does not include the debt payment. Previously some information presented to Council said that the City would be relying heavily on grants specifically CAT grants. Niemi said he talked to Nicole Shalla, administrator of the CAT program, and was told that the program has been de-funded but even if there was money left Shalla said aquatic centers or city pools are not typically the kind of projects that get CAT grants. One other point Shalla mentioned was that before any City can submit an application they have to raise half of the money needed. With a facility cost of \$6.5 million the City would need to have \$3.25 million "in hand" to even ask for the grant. Shalla said assuming the CAT grant program did survive, the City submitted an application and was approved the most the City could expect to receive would be 16-18% of the total cost of the project. When Niemi asked if there were any other grants the City could apply for Shalla replied that Mount Vernon is in a bad geographic area and

there are not a lot of grants in the eastern part of the state. Niemi said he was not suggesting that there aren't any grants to be had he was simply saying the one that was mentioned is currently unavailable. Niemi concluded saying the reality of this project is that currently there are no stakeholders including the City, there is about \$410,000.00 in LOST funds and accumulating about \$10,400.00 per month but at that rate it will take about four years to save for one year's operating losses. As an example Niemi said that if the City already had a completely built wellness center in approximately two years the operating shortfall from that facility would deplete the reserves in the general fund. When Niemi asked Beimer if that was correct Beimer agreed saying "yes sir". Roudabush said it's time to let the people decide. At the last LOST vote there were four items listed; Streets & Sidewalks, Community Center, P&Rec Trails and UR and Streetscape. This vote will be for the Wellness Center only. Hampton agreed with Roudabush; this needs to go to a vote and let them decide what it is they want. According to the BK report it would cost a house valued at \$250k another \$435.00 per year and that's if the Wellness Center were to lose \$477,000.00. Niemi said that at the August 28, 2014 work session Dr. Brandt said that in 5-7 years they would be very interested in looking at their athletic program and in building their own pool which would have public hours available as well. Niemi continued saying that since Cornell is interested in building a pool why not let them build it – it doesn't make sense for the City to take on the hardship when Cornell will. A public hearing was requested. Mayor Moore said he would like to have this scheduled on a night when there is not a council meeting; this would be a one item agenda. Beimer recommended another discussion only on June 15th with full council but make no decisions and then to follow up with a town hall meeting and public hearing with a resolution prepared to be voted on. If the resolution passes it would go to Linn County Elections Board. Decisions between now and then would be how to re-allocate the funds. The resolution has to be in its final form and delivered to Linn County by August 27, 2015.

14. Old Business. Niemi asked that the MVHPC vacancy appointment be placed on an upcoming agenda as he has changed his mind and now feels as though the committee knows best what resources they need and will honor Dick Thomas' recommendation.

15. New Business. None

As there were no further business to attend to the meeting adjourned, the time being 8:14 p.m. June 1, 2015.

Respectfully submitted,
Sue Ripke
City Clerk

Reviewed and approved,
Michael R. Beimer
City Administrator

REVENUES & EXPENDITURES BY FUND

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
GENERAL FUND	441782.10	132147.75
POLICE FORFEITURE	.28	0.00
POLICE VEHICLE DEPRECIATION	18000.00	0.00
ROAD USE TAX	40274.85	36280.95
INSURANCE LEVY	56881.95	0.00
BENEFIT LEVY FUND	123394.47	0.00
LAW/EMERG LEVY	13209.02	0.00
LOST I-FD/EQUIP	0.00	0.00
LOST II-2009 INFRASTRUCTURE	294.61	19791.43
LOST III	41748.98	41748.98
TIF	268040.50	0.00
CAPITAL IMPROVEMENT PROJECTS	0.00	0.00
CIP/FIRE DEPT/TAX LEVY	33021.29	2029.82
WTP DEPRECIATION	73.63	0.00
DEBT SERVICE	0.00	0.00
2009 SANITARY SEWER PROJECT	170.50	12160.30
LOST III STREETS/SIDEWALKS	22961.94	5950.00
LOST III COMMUNITY CENTER	10437.25	0.00
LOST III TRAILS	4174.90	0.00
LOST III UR & STEETSCAPE	4174.89	1350.00
HWY 30 CORRIDOR IMPROVEMENTS	0.00	0.00
2014 SERIES A BOND	0.00	23341.06
POOL REHAB-2014 SERIES A	0.00	4514.42
PERPETUAL CARE	0.00	0.00
WATER UTILITY	56262.79	26634.98
2006/2009 WATER IMPROVEMENT	0.00	0.00
WATER VEHICLE DEPR	0.00	0.00
SEWER UTILITY	69686.13	27317.23
SEWER VEHICLE DEPRECIATION	0.00	0.00
STORM WATER	6237.27	4474.02
SOLID WASTE	33284.89	28330.33
TOTALS	1244112.24	366071.27

Total of receipts and expenditures from April 1, 2015 to April 30, 2015.